

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7165

BILL NUMBER: SB 374

NOTE PREPARED: Feb 24, 2009

BILL AMENDED: Feb 23, 2009

SUBJECT: Harvesting Grasses Along Highways.

FIRST AUTHOR: Sen. Waltz

FIRST SPONSOR: Rep. Borders

BILL STATUS: As Passed Senate

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill allows the Indiana Department of Transportation (INDOT) to enter into leases of highway rights-of-way and other state agencies to enter into leases on state property, for which responsibility is assigned to the lessee for the growth, maintenance, and harvesting of grasses or other plants that are suitable for processing into fuels or other energy products.

Effective Date: July 1, 2009.

Explanation of State Expenditures: (Revised) The specific impact will depend upon the complexity of the leases and the number of leases involved.

Explanation of State Revenues: (Revised) The agencies must decide on the value of the land to be leased. Revenues accruing to the agencies will depend upon the determined value of the land for the specified purposes. Leases are to be awarded to the highest bid for a particular lease.

The lessee is responsible for planning, maintaining, and harvesting the vegetation at the lessee's cost. Leases are to be for a maximum of than four years.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Those agencies who participate in the lease of lands.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: James Sperlik, 317-232-9866.